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RUCNIRA/IRAN COLLECTIVE

C O N F I D E N T I A L SECTION 01 OF 03 DOHA 001112

STPDTS

SIPDIS

E.O. 12958: DECL: 11/08/2017

TAGS: PREL PGOV IR QA

SUBJECT: QATARIS AMBIVALENT ABOUT IRANIAN THREAT FOR NOW

Classified By: Charge d'Affaires Michael A. Ratney, for reasons 1.4 (b) and (d)

- 11. (C) SUMMARY: Qataris by and large remain ambivalent about the Iranian threat, especially with respect to Iranian intentions to acquire nuclear weapons. Key Embassy contacts paint a composite picture of Qataris' welcoming, on an emotional level, Iranian nuclear weapons capability to counter Israel and bolster the Palestinian cause. More thoughtful Qataris worry that a nuclear-armed Iran would feel emboldened to sow mischief in the region at the expense of Qatar's interests, and those of its Arab neighbors. Contacts who have followed Gulf Cooperation Council (GCC) summits over the years tell us that efforts expected at the December 3-4 Doha meeting to bridge the wide gaps of GCC states on dealing with Iran will be unsuccessful.
- 12. (C) Ultimately, according to one newspaper editor, Qatar's leaders will aim to be "practical" in confronting the Iranian threat, recognizing that there is little Qatar can do to influence events. The de facto managing director of the Qatar Investment Authority believes Russia is stoking the flames on the Iranian dossier and that military conflict with Iran is probable. While he says his personal views have not affected Qatar's investment strategy, this influential financial expert has modified his personal investment portfolio, betting that war is coming. In our view, Qataris care deeply about their financial portfolios, and the extent to which they follow suit over time will be the best indicator of their true feelings. End Summary.

WAR WITH IRAN: A DECISION NOT IN QATARI HANDS

13. (C) Hassan Al-Ansari, Qatar University lecturer, editor of the Qatar Tribune, and an adviser to the Amir Diwan, summed up the Qatari perspective on the threat posed by Iran to the region as "practical." In a November 20 discussion with P/E Chief, Al-Ansari noted that Qatar was a mall country (200,000 Qatari citizens versus 70 illion Iranians) which had acquired much practicl experience over the years under foreign dominaion. Al-Ansari observed that the flags of the Otoman Empire, Saudi Arabia, and the United Kingdom flew over present-day Qatar prior to the state's independence. For Qataris, trcking their investment portfolios and making money are paramount in their daily The Qataris, he said, do not see themselves individually or collectively having the ability to influence Iran or its policies. Qataris have internalized that the influence of global powers over the Arabian (Persian) Gulf is a reality. As a practical matter, Qatar and all GCC states, in Al-Ansari's view, would fall in line and support the U.S. if hostilities break out with Iran in the region. Qataris (and Gulf Arabs) understood that the United States alone had the naval forces to protect the sea lanes, not just in the Persian Gulf but around the world, to ensure deliveries of

the hydrocarbon fuels vital to the vibrant and growing economies of the region.

¶4. (C) According to Al-Ansari, Qataris worry about a "nuclear Iran" and the effect it could have on the region. Returning to the small state theme, Al-Ansari said there was a natural tendency for bigger states to dominate smaller states, and the Qataris recognized this was the danger with Iran -- just as they privately recognized it with Iraq when Saddam Hussein was in power. Of course, Al-Ansari observed, government decision-makers in Qatar do not want a nuclear Iran any more than the Qatari people. The leadership and people both want to avoid war, as does everyone (except maybe Iran). Ultimately, however, Al-Ansari concluded that Qataris, even at the highest levels of government, know that the decision on whether armed conflict will break out with Iran is not in their hands.

NUCLEAR IRAN ULTIMATELY A DISASTER FOR THE REGION

15. (C) Well-connected Qatari academic Muhammad Al-Musfir told P/E Chief November 28 that Iran's energy reserves, population, and quest for nuclear weapons made it the greatest single threat in the broader Middle East. He maintained that the vast majority of Qataris support Iran's acquisition of a nuclear weapon as a counterbalance to Israeli nuclear capabilities. Iran, in the Qatari view, was providing more leadership and backbone on the Palestinian issue than anyone else. The problem, observed Al-Musfir, was that Iran's acquisition of a nuclear arm was not in the interests of the region. Qataris, in his view, were not looking beyond the feel-good position of an Islamic bomb. Acknowledging that Pakistan already had nuclear weapons, he

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pointed out that Qataris believed these arms were developed to counter an Indian threat and had no bearing on the Middle Eastern region per se. This was clearly not the case with Iran.

16. (C) Al-Musfir, who is generally critical of U.S. policy in the Middle East, said Iran's acquisition of a nuclear weapon would be a disaster for the entire region and would represent a fundamental shift of power. Already, according to Al-Musfir, the Iranian influence in Qatar and the Gulf states was substantial. He argued that a nuclear-armed Iran would dictate policies up and down the Gulf, which was why it was essential that Iran be denied a nuclear weapons capability. Al-Musfir recounted how Iran, in the lead up to the 2006 Asian Games held in Doha, told Qatari officials it was unacceptable to display banners referring to the "Asian and Arabian Gulf Games," as Qatar had planned. To avoid a problem, Qatar dropped "Arabian Gulf" from the banners entirely, knowing that "Persian Gulf" was unacceptable to Qatar and the Arab states. According to Al-Musfir, the Qatari leadership (and the leaders of the GCC states) understood the nature of the Iranian threat. In the absence of consensus on a single policy to confront Iran, however, the GCC leadership would merely issue statements urging Iran to comply with UN sanctions and avoid any gesture that would upset Iran. Fahad Al-Thani, who recently left Qatar University to establish a legal practice, shared Al-Musfir's view, telling P/E Chief November 28 that the December 3-4 GCC Summit would have Iran as a major item on the agenda. Given the discordant views on how to deal with Iran among GCC States, however, the common GCC policy needed to face down the Iranian threat would not materialize.

DO NOT DISCOUNT RUSSIA'S INTEREST IN WAR

<sup>17. (</sup>C) One notable voice of concern on the risk of conflict between Iran and the United States is Qatar Investment

Authority Executive Board Member (and de facto Managing Director) Dr. Hussain Al-Abdulla (strictly protect). Al-Abdulla, in an October 30 meeting with P/E Chief and Econoff devoted to other issues, expressed interest in the direction of U.S. policy on Iran and offered his own views, which he admitted were decidedly more pessimistic than those of the average Qatari. Al-Abdulla told us there was an 80 percent chance of a war between the U.S. and Iran. He said there was a risk, in his view, that the U.S. would attack a target in Iran to warn Iran away from its ongoing destabilization activities in Iraq. He feared any U.S. attack on Iran would lead to a wider conflict. A second possibility, offered Al-Abdulla, was Iranian confrontation with U.S. naval assets in the course of what he predicted would be increased U.S. naval patrols in the Persian Gulf. He predicted such an event would lead to a wider conflict. The third scenario, according to Al-Abdulla, was an Iranian-inspired terrorist attack in one of the Gulf states.

- ¶8. (C) Al-Abdulla stressed that he believed Iran, not the United States, was the more likely party to seek military confrontation. Although it was true, Al-Abdulla observed, that the U.S. was in a bind because it could not allow Iran to acquire nuclear weapons and increase Iranian influence in the Middle East, the current Iranian regime needed a climate of conflict with the United States in order to survive internal dissent, which in Al-Abdulla's view boded ill for avoiding a military clash. Al-Abdulla observed that war was not in the interest of the Iranian people, as U.S. air strikes would set back Iranian development "fifty or more years." He added that it was unlikely the U.S., in the aftermath of its experience in Iraq, would insert ground troops into Iran.
- 19. (C) Al-Abdulla told us Russia's interest in seeing a military confrontation between Iran and the U.S. was another reason he considered a war likely. Noting Russian President Putin's public statements taking the Iranian side, Al-Abdulla observed that Russia was a country in need of economic growth and a stronger middle class. He observed that Russia was a country very rich in oil, natural gas, and mineral deposits. Higher prices for these commodities, which would be the outcome of any military confrontation with Iran, would be a boon to Russia. Putin, continued Al-Abdulla, could quickly restore Russia's global power and influence under these circumstances.
- 110. (C) Al-Abdulla acknowledged that his views on Russian interest in stoking the flames of U.S.-Iranian conflict might strike U.S. diplomats as implausible, but he said his conversations with informed Russians, who he believed were speaking honestly, led him to believe that Russia's leadership thought it would benefit from a military

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confrontation between the U.S. and Iran. Al-Abdulla, who oversees the day-to-day operations of the Qatar Investment Authority, told us the Authority was not investing Qatar's money based on the scenario he described. However, Al-Abdulla said he was making investment decisions regarding his personal assets based on his belief that military confrontation between the U.S. and Iran was probable.

COMMENT: FOLLOW THE MONEY

111. (C) Comment: Qataris are generally ambivalent about taking action to mitigate the Iranian threat, but they universally recognize that any armed conflict with Iran would be disastrous for Qatar and its neighbors. Qataris also worry privately that their playing host to U.S. military forces makes them a potential target should Iran wish to lash out at the Arab Gulf states. More thoughtful contacts, like Al-Musfir, are clearly worried about the Iranian threat. Virtually no Qatari has the financial savvy of Al-Abdulla, or

his power and influence in financial affairs, but Qataris do follow closely their financial portfolios. Any changes to them based on a potential conflict with Iran would be the best indicator of how Qataris truly measure the urgency of the Iranian threat.
RATNEY